

**CITY OF NEWTON
PURCHASING DEPARTMENT**

CONTRACT FOR HUMAN RESOURCES

PROJECT MANUAL:

REQUEST FOR PROPOSAL

STOP LOSS REINSURANCE

RFP #11-87

Proposal Due Date: June 3, 2011 at 10:30 a.m.

MAY 2011

Setti Warren, Mayor

CITY OF NEWTON, MASSACHUSETTS

PURCHASING DEPARTMENT

purchasing@newtonma.gov

Fax (617) 796-1227

June 8, 2011

ADDENDUM #2

REQUEST FOR PROPOSAL #11-87

ANNUAL – STOP LOSS

THIS ADDENDUM IS TO: **Provide updated information in accordance with Addendum #1, Question 4.**

TUFTS HEALTH PLAN AND HARVARD HEALTH PLAN HAVE INFORMED US, AFTER SOME RESEARCH, THAT THEY HAVE POLICIES OF NOT PROVIDING NOTES TO CARRIERS FOR THE PURPOSE OF QUOTING. THANK YOU.

All other terms and conditions of this bid remain unchanged.

PLEASE ENSURE THAT YOU ACKNOWLEDGE THIS ADDENDUM ON YOUR BID FORM.

Thank you.



Rositha Durham
Chief Procurement Officer

CITY OF NEWTON, MASSACHUSETTS

PURCHASING DEPARTMENT

purchasing@newtonma.gov

Fax (617) 796-1227

May 31, 2011

ADDENDUM #1

REQUEST FOR PROPOSAL #11-87

ANNUAL – STOP LOSS

THIS ADDENDUM IS TO: **Change the Opening Date of this Proposal and to provide updated bid pages 45-48 for bidders reference and answer the following Questions:**

OPENING DATE CHANGED TO: JUNE 10, 2011 AT 10:30 A.M.

Q1. We are requesting a full Subscriber Excel census showing the following information: medical stop loss covered Employee name, date of birth, gender, single or family coverage selection, plan selection, active/retiree/COBRA status and zip code.

A1. See attached. We have left out the employees' names and zip codes to protect privacy.

Q2. May enrollment numbers - Single 1476 lives - Family 1592 lives

The RFP that was sent out has significantly different numbers (1536 for single, 1625 for family). Would someone be able to help with this issue? There is a difference of almost 100 lives which can impact the quote.

A2. This was incorrect. We are sending out an updated Attachment F with correct numbers.

Q3. Also, I am being told by one of my carriers who breaks out the numbers that there are only 2800 contracts listed on the RFP census.

A3. See above.

Q4. Can you provide the following information so that we may better secure the City and provide you with the most cost efficient plan. "Nurse Case Manager Notes" on all active large claimants who are NOT excluded from renewal. Please disclose all current members who are lasered at higher deductible, or excluded from the renewal offer?

A4. Tufts and Harvard's turnaround time for this information is over 2 weeks. We will be providing information for several cases from Tufts and Harvard on or about Tuesday, June 7, 2011.

Q5. We are requesting a copy of the census on tan excel spread sheet. This is very important for us to obtain a quote for your stop loss coverage.

A5. See attached.

Q6. The price form (which is an old form from 2010) is requesting quotes at the \$200k, \$225k and \$250k spec deductible levels. Is this correct? The current deductible level is \$250k and normally levels under the current deductible are not requested. We just want to verify what the City wants.

A6. Yes, we would like quotes at all 3 levels.

Q7. We have a carrier requesting additional claims information for the following: Tufts: DOB 11/11/1950, DOB 9/19/1968, DOB 4/21/1946 and DOB 2/19/1947 - HPHC Claimant 1

A7. See question 4.

All other terms and conditions of this bid remain unchanged

PLEASE ENSURE THAT YOU ACKNOWLEDGE THIS ADDENDUM ON YOUR BID FORM.

Thank you.

A handwritten signature in black ink that reads "Rositha Durham". The signature is written in a cursive, flowing style.

Rositha Durham
Chief Procurement Officer

Attachment F- Page 1

12/18 Contract

Price Proposal

Proposer: _____

Addendum No. _____

Tufts EPO, POS and Harvard Pilgrim EPO
For City of Newton
Specific Stop-Loss:
7/01/2011 to 6/30/2012

DEDUCTIBLE	CONTRACT TYPE	ENROLLMENT	MONTHLY RATE	EST ANNUAL COST
\$250,000	Individual	1476		
	Family	1592		
	Total	3068		
\$225,000	Individual	1476		
	Family	1592		
	Total	3068		
\$200,000	Individual	1476		
	Family	1592		
	Total	3068		

ATTACHMENT G

Contractual Requirements

The reinsurance contract awarded and signed by the City of Newton will comply with all of the following requirements:

1. Reinsurance will apply to the plans named in this Request for Quotations, which are currently administered by Tufts Total Health Plan and Harvard Pilgrim Health Care.
2. For the above named health plans, reinsurer will reimburse City of Newton for claims exceeding the specific deductible per claimant based on the policy terms selected by the City of Newton.
3. Reinsurer will cover subscriber plus dependents including covered retirees and COBRA beneficiaries.
4. Reinsurer will cover all benefits of City of Newton's health plans, including but not limited to medical, prescription drugs, mental and nervous treatment, substance abuse treatment and current and future government mandated benefits. (*Note 1: City of Newton plans are not ERISA plans, and City of Newton adopts state and federal government mandated benefits.*)
5. Reinsurer will cover mental health/nervous claims at the same level as medical/surgical claims.
6. Reinsurer will reimburse City of Newton based on the contractual basis of payment applied by the claims administrator/health plan even if basis of payment exceeds charges. Reinsurer will not pay the lesser of charges or actual contractual basis of payment.
7. Reinsurer will not exclude from coverage covered employees, dependents of employees, retirees, and dependents of retirees with pre-existing conditions.
8. Reinsurer will not exclude from coverage covered members who are not actively at work at the time the policy goes into effect or during the term of the policy.
9. Reinsurer will not exclude from coverage dependents who are hospitalized or otherwise institutionalized at the time the reinsurance policy goes into effect.
10. Reinsurer will not exclude from coverage "Late Entrants" into the City of Newton health plans, such as new hires and those who have lost other coverage as through a spouse.
11. Massachusetts municipal employees hired prior to April 1986 did not pay into Medicare, and, therefore, many not have Medicare eligibility. Therefore, the reinsurer selected by the City of Newton agrees to reimburse for excess claims for retirees who are 65 and older and not eligible for Medicare.
12. Reinsurer will cover all City of Newton plan members at the selected specific deductible and with a either a maximum benefit payable of not less than \$2 million benefit, depending upon the option selected by the City of Newton. No special underwriting for high cost claimants, i.e. no "lasering" will be permitted.
13. Reinsurer will designate surcharges imposed by the Mass. Uncompensated Care law of 1997 paid on hospital charges and outpatient facility charges including day surgery centers as eligible claims expenses for the City of Newton.
14. Reinsurer will designate surcharges paid to the Pool Administrator of the State of New York under the New York Health Care Reform Act of 1996 as eligible claims expense for the City of Newton.
15. Reinsurer will reimburse for claims that exceed the specific deductible according to the policy when filed late because the health plan/claims administer did not report the claim to the client in a timely manner, provided the client reports the claim to the broker or carrier within five business days of receipt of the information from the health plan.

**STATEMENT of COMPLIANCE with CONTRACTUAL REQUIREMENTS
in ATTACHMENT G of CITY OF NEWTON REQUEST for QUOTATIONS for REINSURANCE**

The undersigned certifies that if the reinsurance carrier, _____,
Name of Carrier

is awarded the reinsurance contract sought through this Request for Proposal process, carrier will enter into a contract with the City of Newton that complies with all of the contractual requirements specified in **Attachment G** of the City of Newton's Request for Quotations issued May, 2011 and proposals due June 3, 2011. There will be no exceptions. If the reinsurance carrier's standard contract does not meet all of the requirements specified in Attachment G, carrier will prepare, sign, and submit amendments to the contract in a timely manner to render the contract in compliance.

The undersigned also acknowledges that if reinsurance carrier does not comply with Contractual Requirements, the City of Newton will exercise its right to withdraw the contract award.

(Signature of individual authorized to bind the reinsurance carrier)

(Date)

COMMONWEALTH OF MASSACHUSETTS

(County)

Then appeared before me the above-named _____

and having been duly sworn stated that the foregoing statements were true and correct.

(Notary Public)

My commission expires:

(Date)

Federal Identification Number:_____

ATTACHMENT - H

Rate History and Miscellaneous Information

Since July 1, 1994, the City of Newton has had the same plans for its employees and its retirees.

The two Tufts plans have been self-insured since July 1, 1994. They are:

Tufts EPO plan
Tufts POS/OOA Plan

The Harvard Pilgrim HMO has also been in place since July 1, 1994. On July 1, 2000 the City chose to self-insure this plan.

The monthly rates for these plans for the last three years are as follows:

July 1, 2008:	Individual	Family
Tufts EPO	\$510.10	\$1,380.57
Tufts POS/OOA	\$782.31	\$1,896.04
Harvard Pilgrim	\$513.98	\$1397.56

July 1, 2009:	Individual	Family
Tufts EPO	\$556.52	\$1,506.20
Tufts POS/OOA	\$819.86	\$1,987.05
Harvard Pilgrim	\$572.31	\$1,554.36

July 1, 2010:	Individual	Family
Tufts EPO	\$556.52	\$1,506.20
Tufts POS/OOA	\$819.86	\$1,987.05
Harvard Pilgrim	\$612.37	\$1,663.17

The monthly rates for the year on which you are bidding will be:

July 1, 2011:	Individual	Family
Tufts EPO	\$628.87	\$1702.01
Tufts POS/OOA	\$926.55	\$2245.37
Harvard Pilgrim	\$655.16	\$1779.41

In the Tufts EPO and POS plans there are 109 members over age 65 who are retired and not eligible for Medicare.

In the Harvard Plan there are 16 members over age 65 who are retired and not eligible for Medicare.

**THE CITY OF NEWTON
HEALTH CENSUS
MAY 2011**

PLAN	STATUS	CITY	SCHOOL	TOTAL	
TUFTS - POS - ACTIVE	I	15	6	21	
11360-000 & 11380-000	F	36	20	56	77
TUFTS - POS - TEACHERS	I		38	38	
11380-100	F		99	99	137
TUFTS - POS - COBRA	I	0	0	0	
11360-001 & 11380-001	F	0	0	0	0
TUFTS - POS - RETIRED	I	27	43	70	
11360-002 & 11380-002	F	9	14	23	93
TUFTS - POS - OOA	I	23	27	50	
11361-000 & 11381-000	F	17	10	27	77
TUFTS - OOA - COBRA	I	0	0	0	
11361-001 & 11381-001	F	0	0	0	0
TUFTS - EPO - ACTIVE	I	184	49	233	
11362-000 & 11382-000	F	317	67	384	617
TUFTS - EPO - TEACHERS	I		327	327	
11382-100	F		305	305	632
TUFTS - EPO - COBRA	I	1	4	5	
11362-001 & 11382-001	F	1	4	5	10
TUFTS - EPO - RETIRED	I	137	46	183	
11362-002 & 11382-002	F	89	34	123	306
TUFTS SUBTOTAL	I	387	540	927	
	F	469	553	1022	
HARVARD PILGRIM	I	77	25	102	
ACTIVE	F	142	45	187	289
HARVARD PILGRIM	I		351	351	
TEACHERS	F		320	320	671
HARVARD PILGRIM	I	34	57	91	
RETIRED	F	31	27	58	149
HARVARD PILGRIM	I	0	5	5	
COBRA	F	1	4	5	10
HARVARD SUBTOTAL	I	111	438	549	
	F	174	396	570	
TOTAL		1141	1927	3068	

GROUP MEDICAL REINSURANCE (STOP LOSS)
REQUEST FOR PROPOSAL
FOR COVERAGE PERIOD JULY 1, 2011 THRU JUNE 30, 2012

PROPOSAL Submission Instructions

The City of Newton is not required by law to seek competitive quotes for Insurance Coverage. When it does decide to seek competitive quotes for insurance, it is not required to follow any specified procedure or laws.

The City of Newton will be the sole judge of whether or not a proposal meets the criteria of the Request for Proposal, and its decision shall be final.

The City of Newton will be the sole judge of whether or not a particular proposal has the highest value for the City of Newton compared to other proposals based on the selection criteria, and its decision shall be final.

RFP DATES:

Release Date: May 19, 2011 at 10:00 a.m.

Proposal Due Date: June 3, 2011 at 10:30 a.m.

Award shall be made by: June 24, 2011

Contract begins: July 1, 2011

REINSURANCE BID SPECIFICATIONS

Proposal Submission Instructions

All applicable experience data that is available is included in this proposal package. Should any additional data become available during the proposal process we will immediately forward the information to all proposers.

RFP Documents will be available on line at www.ci.newton.ma.us/bids, under the Invitation for Bid link or pickup at the Purchasing Department **after 10:00 a.m., May 19, 2011**. There will be no charge for contract documents.

Completed Proposals shall be submitted no later than **10:30 a.m. on June 3, 2011**.

Proposals shall be delivered to: Rositha Durham, *Chief Procurement Officer*, Room 204, City of Newton, 1000 Commonwealth Avenue, Newton, MA 02459. Please ensure that **“Technical” & “Price” Proposals are submitted in separate sealed envelopes**. Any Technical Proposal received with Price Proposal information shall be cause for rejection. Technical Proposal shall be in a sealed envelope clearly marked **“RFP # Technical Proposal for Reinsurance Coverage”**.

Please ensure you’ve acknowledged any/all addendum that have been issued for this RFP in both Technical and Price Proposals.

The **“Price Proposal”** shall be submitted on the forms included herein as **Attachment F**. The price proposals must be submitted in a **separate sealed envelope** clearly marked **“Price Proposals for RFP No. 11-87 Reinsurance Coverage.”** No reference to cost may be made in any other section of your proposal. Proposers shall submit the following:

- **Two proposals for the “Technical” portion of the RFP**
- **One proposal for the “Price” portion of the RFP**

Proposers are encouraged to quote on each of the attachment point options specified on the price pages.

The City shall award a contract based on the most advantageous proposal, price and evaluative criteria considered. The City shall select the attachment point and run-out option at its discretion and as may be in the public interest.

Current Reinsurance Coverage and Plan Design:

Reinsurance is currently provided by Westport Insurance Corporation and covers the City's medical benefits administered by both Tufts Health Plan and Harvard Pilgrim. It includes the prescription drug benefits administered by both plans. The attachment point is \$250,000 specific.

The current plans administered by Tufts are an EPO Plan which only allows utilization of in-network providers, and a POS Plan in which utilization of in-network providers has been at 94.8% with the exception of the Out-of-Network subset (see #1 below).

The Tufts POS Plan includes the following feature:

Out of Area Group - The Out-of-Area Group is a subset of the Point of Service Plan. Members in this group have all of their claims processed as though all the providers are in the network. (All claims are paid at 100% of the Usual and Customary amount.) Members are responsible for any balanced billing. Less than 1% of claims submitted by this group are with network providers. There are 61 Individual and 28 Family contracts in the Out of Area Group.

The following is a summary for the past plan year of the In and Out of Network claims breakdown by Plan type:

	In Network	Out of Network	Total	% In Network
POS	\$6,614,807	\$ 257,789	\$6,872,596	96.2%
OOA	\$ 5,004	\$ 929,986	\$ 934,990	0.5%
EPO	\$15,519,782	\$ 0	\$15,519,782	100.0%
MELDED	\$22,139,593	\$1,187,775	\$23,327,368	94.9%

- 1) All Harvard Pilgrim Claims are in network.
- 2) There are no lifetime maximums with either the POS/OOA or EPO Plan.
- 3) The plan design for the plan year starting July 1, 2011 will remain unchanged from the current plan year.
- 4) Prescription coverage includes optional Mail Order coverage along with pharmacy coverage.
- 5) The City also now utilizes the purchase of Canadian drugs for its members. This program is not to be included in this bid.
- 6) The City is not able to provide a census that includes zip codes.
- 7) The attachments listed below are included in the bid package.

Attachment A - Current Reinsurance Rates and policy limits
Attachment B - Subscriber/member demographic profile for Tufts and HP
(All Ages listed are as of April 1, 2011)
Attachment C - Enrollment/Claims monthly history since FY 08 for Tufts and
Since FY 08 for Harvard
Attachment D - Large Claims of prior years and current year (over \$100,000)
Attachment E - Plan Benefit Summaries
Attachment F - Price Proposal Submission Form (**To be submitted separately**)
Attachment G – Statement of Compliance – To be included in bid.
Attachment H - Rate History and Miscellaneous Information

Award Decision Criteria:

In order to be considered for a Group Reinsurance and Reporting contract award, a proposal must be complete with all submission requirements met and with responses submitted on forms provided, and must meet the Contractual Requirements as set forth in this Request for Proposal. From among those complete and correctly submitted proposals meeting the requirements and specifications, the Contract will be awarded based on the selection criteria in this Request for Proposals.

Purchaser's Rights:

The City reserves the right to accept or reject any and all proposals.

The City reserves the right to reject any proposal which does not comply with any and all applicable state and federal statutes.

The City reserves the right to reject any proposal, which does not meet the requirements. The City will be the sole judge of whether or not a proposal meets these Requirements, and the City's decision will be final.

The City reserves the right to reject any proposal which is not submitted according to the prescribed format, not properly signed, or otherwise contrary to instructions.

The City reserves the right to reject any and all proposals if there is reason to believe that collusion exists among the brokers/carriers.

The City reserves the right to independently verify the accuracy of information supplied in the proposals.

The City reserves the right to reject any proposal which is subject to final underwriting approval and/or which does not ultimately meet contractual requirements as stated in the general requirements.

The City reserves the right to select the final attachment point from among the submitted attachment points.

Information prepared and submitted by Proposers in response to this Request for Proposals shall be the property of the City of Newton.

Items Required to Be Submitted With Proposal:

- (1) Letter of Transmittal - Letter from authorized representative of carrier binding the carrier to the contractual requirements and to rates for 60 days from the proposal due date.
- (2) Price proposals submitted on Attachment F, and meeting specifications of this Request for Proposal. Attachment F must be provided in a **separate sealed envelope and prices must not be mentioned anywhere else in the technical proposal**.
- (3) Signed Attestation (Form provided)
- (4) Statement of Compliance. See Attachment G

General Requirements:

Proposals must include the following:

1. Letter of transmittal signed by the individual authorized to negotiate for and contractually bind the carrier, stating that the offer is effective for at least sixty (60) days from the deadline for the submission of the proposals (effective date of policy is July 1, 2011). The letter should also state the proposer's understanding of the coverage to be provided; and make a positive commitment to provide the coverage under the contractual requirements specified in this Request for Proposals within the required policy period.
2. Signed Attestation (Form enclosed).
3. A list with names, addresses, and phone numbers of contact persons of Massachusetts municipalities for which the Broker and Carrier are currently contracted to provide similar services. Please provide accounts with 500 or more covered subscribers.
4. All price proposals shall be submitted on **Attachment F** of this proposal and be submitted in a separate sealed envelope. They shall be on the incurred/paid basis specified on **Attachment F**.
5. The broker/stop loss administrator selected through this process will be required to conform to the reporting and other service requirements specified in this Request for proposals unless the City of Newton exercises its right to engage an independent stop loss tracking, filing and reporting firm.
6. All proposals must provide reinsurance coverage for Tufts POS, Tufts EPO and Harvard Pilgrim HMO.
7. All proposals must provide reinsurance for all members of the plans named in item #6 above, i.e. employees, retirees, and dependents.
8. Reimbursement factor: All proposals must provide a reimbursement factor of 100% of covered medical expenses and prescription drug coverage subject to applicable plan maximums.
9. Lifetime Maximum: All policies proposed must provide a minimum of a lifetime Maximum benefit payable of \$2 million per claimant.
10. Proposals must describe stop loss Claims Tracking, Filing, and Reporting services. Proposals must include a detailed description of the process by which claims will be monitored and tracked including the names of the company (ies) that will track and file the claims with the carrier. (The City of Newton reserves the right to engage an independent claims tracking, filing and reporting company.)

11. Proposals must describe how information on status of claims with potential to reach the stop loss deductible and information on status of claims exceeding the deductible will be reported to the City of Newton.

Proposals must include provisions for monthly reporting of the following data:

For the monthly report of claims at or above 50% of the deductible:

Claimant name, coverage ID number, dollar amount of claims incurred during the policy period, dollar amount under the deductible, month and year of most recent paid claims data reviewed for this report.

For the monthly report of claims at or above the stop loss deductible:

Claimant name, coverage ID number, dollar amount of claims incurred to date during the policy period, dollar amount exceeding the deductible, dollar amount of claims detail submitted to reinsurance carrier, outstanding detail to be submitted, dollar amount of reimbursement to date, dollar amount of outstanding reimbursements, month and year of most recent paid claims data reviewed for this report.

Proposals must include sample reports and confirm in the proposal that reports will be sent to the City of Newton or its designees each month beginning in September 2010 and throughout the run-out period(s) of the policy(ies). If there is no activity for a particular month, the stop loss tracker and filer is required to supply a "Report of No Activity" stating the most recent paid claims data reviewed.

12. Proposals must comply with all applicable federal and state statutes.

Note: A proposal from a non-admitted carrier will not be considered and will not be accepted unless there is no proposal submitted from an admitted carrier.

13. Proposers are requested to provide a retrospective rebate proposal (or comparable proposal such as up-front discounted premium arrangement) that would apply if claims paid by the reinsurance carrier are 50% or less of premium.

Services To Be Provided:

The successful proposer will provide, for the service period bided, stop-loss coverage for the City of Newton's self-insured health plans. The selected vendor will be responsible for exchanging and verifying information with the Tufts Total Health Plan and Harvard Pilgrim Health Care concerning claims near or exceeding the selected attachment point. It will be the sole responsibility of the vendor to develop a working relationship with Tufts and Harvard Pilgrim that produce accurate and timely information and allows the City to be reimbursed promptly.

Who Can Bid and Policy Regarding Brokers:

Both insurance companies and brokers can bid directly, but in our twenty plus years of bidding for Stop Loss, an insurance company has never submitted a bid.

The City's policy regarding brokers is as follows:

The City of Newton has a policy of not having a Broker of Record for the City. For all bids, it is neither in favor of nor opposed to having brokers participate in the bidding process. It will accept all bids, directly from insurance companies and from brokers and evaluate them based upon their merit and their cost. It will not provide letters of authorization to any brokers. In the case of the same winning bid being provided by an insurance company and/or one or more brokers, the Director of Human Resources, in consultation with the Chief Procurement Officer and the Law Department, will make the decision as to which bid is the most advantageous for The City of Newton, and which one will be awarded.

Submittal Requirements:

Proposers shall state therein that their proposal acknowledges and incorporates as required each of the items listed below.

1. The effective date will be July 1, 2011.
2. The current contract reflects an incurred in 12 months, paid in 18 months basis. Quotes are being sought on an incurred in 12 months and paid in 18 month basis for Tufts EPO, POS and Harvard Pilgrim HMO.
3. Proposers must clearly state any restrictions or deviations from these specifications. In the absence of such statement the City shall assume that all items offered are in strict compliance with the technical and financial requirements, and contract terms and conditions described in these specifications. The proposal of the successful proposer will be included as an appendix to the final contract.
4. Enrollees include actives, disabled, COBRA beneficiaries, employees on approved leave of absences, early retirees, and retirees over the age 65 ineligible for Medicare.
5. Actively-at-work requirements and any pre-existing condition exclusions must be waived for current and future participants.
6. Rates should be quoted on a two-tiered basis (i.e. single and family). Any commissions, placement fees, administrative charges or other charges to the City must be included in the rates quoted.
7. The City has an optional mail order prescription plan as part of its drug program administered by PCS for Tufts EPO and POS. Please refer to attachments for plan design.
8. The Harvard Pilgrim Plan also offers a mail service prescription drug program.
9. Quoted rates should assume the City pays premiums on a monthly basis.
10. Proposals cannot include restrictions or contingencies regarding specific subscribers/members (e.g. those with ongoing claims).
11. Quoted rates will be firm regardless of changes to enrollment for the new plan year.
12. Coverage will provide 100% reimbursement once specific stop-loss levels are reached up to the lifetime maximum.
13. Coverage has no limitations for specific illnesses or physical conditions.
14. All quotes will be considered valid for at least sixty (60) days from the deadline for the submission of the proposals.
15. This contract will be awarded by June 24, 2011.
16. All prices and proposals will be considered final and non-negotiable.
17. **QUESTIONS:** Inquiries involving procedural or technical matters shall be received in writing, no later than **12:00 p.m. noon, May 27, 2011** to:

City of Newton - Purchasing Dept.
Rositha Durham, *Chief Procurement Officer*
1000 Commonwealth Avenue
Newton, MA 02459

FAX (617) 796-1227 or
E-mail: purchasing@newtonma.gov

18. It is the responsibility of each proposer to ensure that they have received and acknowledge any/all addendum with regards to this RFP. Anyone on record as having received this RFP will be faxed the addendum automatically. If you have downloaded this RFP from the City's website, you must email: purchasing@newtonma.gov or fax us your company's

name, address, phone, and fax as well as the BID/RFP number and project title.

Vendor Minimum Requirements:

In order to be considered an eligible proposer, all respondents must answer "Yes" to the following questions and be prepared to provide supporting documentation as required by the City. In providing responses, proposers must restate the question and provide an answer with supporting information as required.

1) Has the re-insurer been in the reinsurance marketplace for at least five years?

Yes: _____

No: _____

2) Can the re-insurer verify that it has a record of paying promptly all properly submitted claims?

Yes: _____

No: _____

3) Can the re-insurer verify that there have been no claims paid late or that have gone unpaid due to insufficiency of funds?

Yes: _____

No: _____

4) Are all of the re-insurer's sources of financial support (those entities ultimately responsible for guaranteeing the availability of funds to pay claims) rated by a recognizing rating agency (Moody's or A. M. Best, for example)?

Yes: _____

No: _____

5) Is the re-insurer evaluated by a recognizing rating agency (Moody's or A. M. Best, for example)?

Yes: _____

No: _____

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Selection Criteria:

Price will not be only criteria upon which the City of Newton makes its selection of reinsurance carrier. The following criteria will apply:

- ❖ Meets the vendor minimum requirements;
- ❖ Conformance to the specifications of this Request for Proposals including all required contractual provisions specified in Exhibit A, and completeness of responses;
- ❖ Insurance company ratings and claims administration ratings;
- ❖ Price and attractiveness of one-year versus two-year proposal and a attractiveness of specific deductible proposals;
- ❖ Experience and quality of service to clients as reported by Proposer and by References in providing coverage to accounts (including amount of Massachusetts business, dollars paid in stop loss reimbursements, experience in administering policy over multiple carriers/health plans;
- ❖ Turn-around time for reimbursement and availability of immediate reimbursement arrangements;
- ❖ Comprehensiveness and timeliness of reporting to accounts, and general level of service in the above as reported by References;
- ❖ Acceptance of the City of Newton claims administrators: Harvard Pilgrim Health Care, and Tufts Total Health Plan;
- ❖ Status as an admitted carrier in Massachusetts;
- ❖ Demonstrated experience or knowledge of the Massachusetts municipal sector;
- ❖ Stop loss claims tracking, monitoring, and filing capabilities;
- ❖ Demonstration of financial arrangements beneficial to the City of Newton;
- ❖ Optional contract terms which are favorable to the City of Newton.

The above criteria will be applied to proposals to select the policy with the highest value for the City of Newton.

The City of Newton is not required by law to seek competitive quotes for Insurance Coverage. When it does decide to seek competitive quotes for insurance, it is not required to follow any specified procedure or laws.

The City of Newton will be the sole judge of whether or not a proposal meets the criteria of the Request for Proposal, and its decision shall be final.

The City of Newton will be the sole judge of whether or not a particular proposal has the highest value for the City of Newton compared to other proposals based on the selection criteria, and its decision shall be final.

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PROPOSER'S QUESTIONNAIRE

All Respondents must answer the following questions and requests in writing in order to be considered in the selection process.

**Submit this completed questionnaire with your "Technical Proposal".
Please include additional sheets for your answers if necessary.**

**NAME OF RESPONDING COMPANY AND PROPOSED CARRIER MUST BE ON EACH
PAGE OF THIS QUESTIONNAIRE.**

Proposer acknowledges the following addendum: _____, _____, _____, _____, _____

1. What is the full legal name and address of the entities proposing to provide group medical reinsurance to the City of Newton

Carrier: _____

Broker: _____

Managing General Underwriter (MGU): _____

Stop Loss Administrator: _____

Entity responding to this RFP: _____
2. Is the reinsurance carrier for which you have submitted a proposal an admitted carrier in the Commonwealth of Massachusetts? Yes _____; No _____
3. What is the number of reinsurance contracts in Massachusetts that are currently being placed by the broker named above?

4. Describe how your stop-loss charges are calculated.

5. Please give assurance that there will be no special underwriting for high cost claimants, i.e. no "lasering" will occur. . And please specify the standards the carrier uses to define "experimental procedures."

6. Describe your process for reimbursement under your contract. Please include and explanation of the process you follow for paying and reviewing claims. How long does reimbursement take after you receive the required documentation?

Name of responding company: _____

Name of proposed carrier: _____

7. Describe your liability for specific reimbursement upon contract termination, for both on-and-off anniversary dates.
- _____
- _____
8. Describe your premium payment procedures and include copies of all applicable forms.
- _____
- _____
9. Please identify any reimbursement maximums under the proposed specific stop-loss arrangement (e.g., per year, per participant, per contract).
- _____
- _____
10. Please describe any other limits under your stop-loss agreements (e.g., mental/nervous).
- _____
- _____
11. Please describe any other funding alternatives or contract forms that you wish to have considered.
- _____
- _____
12. What was the most recent Standard & Poors, Best, Moody's Duff & Phelps and/or other relevant rating assigned to the reinsurance carrier that you are proposing which demonstrates financial stability, as well as the respective rating which is assigned to the claim paying ability of the carrier? Please provide the date of the rating.
- _____
- _____
- _____
- _____
13. Please provide copies of your specimen contract and any amendments needed to put this contract in conformance with the contractual requirements specified herein.
- _____
- _____
14. Please provide non-confidential information on reinsurance claims you as Broker/Carrier have paid for Massachusetts clients, for example, total dollar amount paid to Municipalities and School Districts for the past three years, if any.
- _____
- _____
- _____
- _____
15. What is the carrier's average turn-around-time for payment of claims once claims detail has been submitted to the carrier?
- _____
- _____
16. Does the broker receive compensation other than commissions (i.e. does broker earn fees depending upon the carrier's loss ration)?
- Yes _____ No _____
17. Please describe the experience the stop loss tracking and filing firm has had in stop loss claims administration.
- _____
- _____

Name of responding company: _____

Name of proposed carrier: _____

18. Will the proposed carrier reimburse the City of Newton based on the basis of payment to the providers used by the claims administrators as opposed to the lesser of charges or basis of payment?

Yes _____

No _____

19. Do you confirm that the quotations for reinsurance submitted herein are good for 60 days from the due date of proposal?

Yes _____

No _____

20. Please include the names of five references who can be contacted to comment on your reinsurance coverage. Massachusetts' employers contracting with Tufts Total Health Plan and/or Harvard Pilgrim Health Care are preferred.

21. Provide a statement explaining any and all litigation pending against the proposer arising from reinsurance or related services.

22. Provide verification that the proposer retains appropriate liability coverage for errors, omissions, and similar occurrences.

23. All parties that are assuming risk in reinsurance coverage must be identified. Please provide the party's name, share of the risk, and their level of risk exposure (primary, secondary, etc.).

24. Alternative funding arrangements will be considered. Please provide complete details if responding with a non-standard funding approach.

25. Sample standard reports and specimen agreements and coverage schedules should be included in your proposal.

By my signature below I certify that the responses provided herein to this Questionnaire of the City of Newton's "Request for Proposals for Group Reinsurance and Reporting" are true and accurate and that materials provided by my company in response to this Request for Proposals are a fair and accurate representation of the proposed reinsurance policy, procedures, and services that will be provided to the City of Newton if accepted.

(Authorized Representative of Carrier)

(Date)

Name of responding company: _____

Name of proposed carrier: _____

ATTESTATION

Pursuant to MG c. 62C, § 49A, the undersigned acting on behalf of the Contractor, certifies under the penalties of perjury that, to the best of the undersign's knowledge and belief, the Contractor is in compliance with all laws of the Commonwealth relating to taxes, reporting of employees and contractors, and withholding and remitting child support.*

**Signature of Individual
or Corporate Contractor (Mandatory)

*** Contractor's Social Security Number
(Voluntary) or Federal Identification Number

By: _____
Corporate Officer
(Mandatory, if applicable)

Date: _____

* The provision in the Attestation relating to child support applies only when the Contractor is an individual.

** Approval of a contract or other agreement will not be granted unless the applicant signs this certification clause.

*** Your social security number will be furnished to the Massachusetts Department of Revenue to determine whether you have met tax filing or tax payment obligations. Providers who fail to correct their non-filing or delinquency will not have a contract or other agreement issued, renewed, or extended. This request is made under the authority of GL c. 62C, § 49A.

CERTIFICATE OF NON-COLLUSION

The undersigned certifies under penalties of perjury that this bid or proposal has been made and submitted in good faith and submitted in good faith and without collusion or fraud with any other person. As used in this certification, the word “person” shall mean any natural person, business, partnership, corporation, union, committee club, or other organization, entity, or group or individuals.

(Signature of individual)

Name of Business

ATTACHMENTS

ATTACHMENT – A (1 page)

ATTACHMENT – B (4 pages)

ATTACHMENT – C (4 pages)

ATTACHMENT – D (8 pages)

ATTACHMENT – E (11 pages)

ATTACHMENT – F (1 pages)

ATTACHMENT – G (2 pages)

ATTACHMENT – H (1 page)

Attachment A – Page 1

The City of Newton
For Tufts EPO, POS and Harvard Pilgrim HMO

Current ReInsurance: (July, 2010 thru June, 2011)	Westport Insurance Corporation through Stop Loss Insurance Brokers
Type of Insurance:	Specific
Attachment Point:	\$250,000
Incurred/Paid:	12 / 18
Individual Rate:	\$7.55 per Month
Family Rate:	\$18.86 per Month
Pre-Existing Exclusions:	None
Waiting Period:	None
Lifetime Maximum:	\$2,000,000
Mental/Nervous Exclusion:	None
Prescription Coverage:	Included

Attachment B – Page 1

Tufts Plan
For City of Newton
As of April, 2011

INDIVIDUAL CONTRACTS

Subscribers:

Age Range	Male	Female	Total
0-10	0	1	1
11-20	1	1	2
21-30	80	134	214
31-40	68	77	145
41-50	34	50	84
51-60	60	107	167
61-70	63	146	209
70+	29	55	84

Members:

Age Range	Male	Female	Total
0-10	0	1	1
11-20	1	1	2
21-30	80	134	214
31-40	68	77	145
41-50	34	50	84
51-60	60	107	167
61-70	63	146	209
70+	29	55	84

Attachment B – Page 2

**Tufts Plan
For City of Newton
As of April, 2011**

FAMILY CONTRACTS

Subscribers:

Age Range	Male	Female	Total
0-10	0	0	0
11-20	0	0	0
21-30	11	16	27
31-40	86	95	181
41-50	124	116	240
51-60	176	176	352
61-70	113	81	194
70+	6	7	13

Members:

Age Range	Male	Female	Total
0-10	244	231	475
11-20	289	257	546
21-30	113	116	229
31-40	165	203	368
41-50	215	243	458
51-60	324	367	691
61-70	215	137	352
70+	25	14	39

Attachment B – Page 3

**Harvard Pilgrim Plan
For City of Newton
As of April, 2011**

INDIVIDUAL CONTRACTS

Subscribers:

Age Range	Male	Female	Total
0-9	0	0	0
10-19	1	1	2
20-29	49	107	156
30-39	51	103	154
40-49	23	31	54
50-59	35	38	73
60-64	21	57	78
65+	8	25	33

Members:

Age Range	Male	Female	Total
0-9	0	0	0
10-19	1	1	2
20-29	49	107	156
30-39	51	103	154
40-49	23	31	54
50-59	35	38	73
60-64	21	57	78
65+	8	25	33

Attachment B – Page 4

**Harvard Pilgrim Plan
For City of Newton
As of April, 2011**

FAMILY CONTRACTS

Subscribers:

Age Range	Male	Female	Total
0-9	0	0	0
10-19	0	0	0
20-29	3	7	10
30-39	68	94	162
40-49	62	77	139
50-59	76	73	149
60-64	48	50	98
65+	7	6	13

Members:

Age Range	Male	Female	Total
0-9	92	85	177
10-19	234	211	445
20-29	68	88	156
30-39	130	158	288
40-49	129	147	276
50-59	142	145	287
60-64	96	157	253
65+	22	9	31

Attachment C – Page 1

<u>Month</u>	<u>Tufts EPO</u>	<u>Enrollment I</u>	<u>F</u>	<u>Tufts POS</u>	<u>Enrollment I</u>	<u>F</u>
FY 08 Claims						
July, 2007	\$1,265,644	648	803	\$448,975	223	222
August, 2007	\$1,114,949	657	816	\$513,003	224	217
September, 2007	\$1,139,996	642	807	\$552,615	226	193
October, 2007	\$1,583,305	645	812	\$664,046	226	214
November, 2007	\$1,084,863	677	817	\$449,167	231	212
December, 2007	\$1,142,631	680	812	\$609,407	232	215
January, 2008	\$1,076,478	680	815	\$507,833	233	217
February, 2008	\$1,273,839	682	815	\$640,496	231	219
March, 2008	\$1,419,729	684	815	\$512,685	233	219
April, 2008	\$1,637,605	678	815	\$644,167	233	218
May, 2008	\$1,256,955	675	813	\$444,390	233	216
June, 2008	\$1,352,091	673	813	\$533,023	232	215

<u>Month</u>	<u>Tufts EPO</u>	<u>Enrollment I</u>	<u>F</u>	<u>Tufts POS</u>	<u>Enrollment I</u>	<u>F</u>
FY 09 Claims						
July, 2008	\$1,743,606	675	810	\$573,597	227	216
August, 2008	\$1,246,563	672	809	\$585,266	229	216
September, 2008	\$1,644,224	641	804	\$604,642	219	211
October, 2008	\$1,437,216	639	803	\$655,941	217	209
November, 2008	\$1,494,488	677	814	\$587,097	221	208
December, 2008	\$1,506,012	672	816	\$530,760	224	207
January, 2009	\$1,243,630	671	814	\$470,026	225	204
February, 2009	\$1,420,514	672	819	\$508,865	222	204
March, 2009	\$1,705,308	678	818	\$570,368	218	205
April, 2009	\$1,397,374	679	818	\$432,674	218	205
May, 2009	\$1,294,575	679	816	\$429,199	218	204
June, 2009	\$1,684,707	682	815	\$579,037	212	203

Attachment C – Page 2

FY 10 Claims

Month	Tufts EPO	Enrollment I	F	Tufts POS	Enrollment I	F
July, 2009	\$1,441,990	680	814	\$468,716	212	201
August, 2009	\$1,502,480	687	823	\$385,445	204	210
September, 2009	\$1,883,991	687	818	\$625,478	200	207
October, 2009	\$1,296,864	696	820	\$372,909	195	204
November, 2009	\$1,267,235	732	827	\$533,041	192	204
December, 2009	\$1,696,314	741	827	\$508,291	194	204
January, 2010	\$1,696,225	737	830	\$491,108	192	201
February, 2010	\$1,405,611	738	833	\$576,252	192	202
March, 2010	\$2,011,556	743	830	\$656,797	189	201
April, 2010	\$2,014,494	744	828	\$671,498	194	200
May, 2010	\$2,600,340	739	827	\$866,780	194	200
June, 2010	\$1,411,419	744	824	\$607,750	194	202

FY 11 Claims

Month	Tufts EPO	Individual enrollment	Family enrollment	Tufts POS	Individual enrollment	Family enrollment
July 2010	\$1,518,513.33	733	818	\$420,734.81	189	203
August 2010	\$2,131,312.50	734	829	\$627,021.64	188	202
September 2010	\$1,567,810.88	706	834	\$508,046.47	187	199
October 2010	\$1,673,256.04	698	827	\$496,586.86	186	202
November 2010	\$1,875,281.09	746	838	\$781,130.26	182	207
December 2010	\$1,508,074.67	755	834	\$439,137.39	186	207
January 2011	\$1,508,999.13	760	835	\$543,774.01	187	204
February 2011	\$1,634,474.04	761	837	\$461,396.25	185	207
March 2011	\$1,614,071.84	756	830	\$516,979.27	182	205
April 2011	\$1,678,478.01	753	825	\$470,556.34	181	205
May 2011		748	817		179	205
June 2011						

Attachment C – Page 3
FY08 Claims

Month	Harvard Pilgrim HMO	Individual enrollment	Family enrollment
July 2007	\$885,355	620	569
August 2007	\$1,013,678	638	538
September 2007	\$847,788	608	534
October 2007	\$726,357	626	540
November 2007	\$872,779	685	549
December 2007	\$845,551	678	552
January 2008	\$772,478	681	556
February 2008	\$895,481	677	552
March 2008	\$876,853	674	554
April 2008	\$950,588	675	554
May 2008	\$1,148,535	666	554
June 2008	\$857,923	667	551

FY09 Claims

Month	Harvard Pilgrim HMO	Individual enrollment	Family enrollment
July 2008	\$1,153,918	668	553
August 2008	\$869,813	660	557
September 2008	\$968,637	581	542
October 2008	\$1,123,807	578	555
November 2008	\$855,575	601	570
December 2008	\$1,364,886	607	570
January 2009	\$1,146,021	603	573
February 2009	\$983,218	610	573
March 2009	\$982,602	613	567
April 2009	\$1,496,988	612	572
May 2009	\$1,085,423	611	575
June 2009	\$1,070,510	610	575

Attachment C – Page 4

FY10 Claims

Month	Harvard Pilgrim HMO	Individual enrollment	Family enrollment
July 2009	\$1,384,278	595	576
August 2009	\$821,665	594	577
September 2009	\$949,383	593	579
October 2009	\$1,078,011	584	584
November 2009	\$1,064,497	600	589
December 2009	\$963,279	593	590
January 2010	\$896,633	599	591
February 2010	\$762,661	604	593
March 2010	\$919,631	604	595
April 2010	\$878,515	598	597
May 2010	\$885,882	599	593
June 2010	\$1,318,714	598	593

FY11 Claims

Month	Harvard Pilgrim HMO	Individual enrollment	Family enrollment
July 2010	\$1,175,113	593	578
August 2010	\$903,358	583	578
September 2010	\$1,093,552	552	568
October 2010	\$970,600	549	578
November 2010	\$1,509,141	568	580
December 2010	\$1,067,232	570	583
January 2011	\$878,939	568	581
February 2011	\$856,908	567	577
March 2011	\$1,312,472	559	571
April 2011	\$1,039,786	552	571
May 2011		549	570
June 2011			

Attachment D – Page 1

City of Newton
Tufts Total Health – Payments in excess of \$100,000
July 1, 2007 through June 30, 2008

Sex	Relation	Payment	Plan	Current Status	Diagnosis	Prognosis	DOB
F	Subscriber	\$306,737	EPO	On Medicare May 1, 2008	Fx Upper End Tibia - Close	Stable Costs expected to Decrease	05/04/1943
F	Spouse	\$178,667	EPO		Aortic Aneurysm	Stable Costs expected to Decrease	09/27/1936
F	Subscriber	\$154,231	POS		Heart Block	Stable Costs expected to Decrease	08/13/1926
M	Subscriber	\$147,696	EPO		Urinary Tract Infection	Stable Costs expected to Decrease	05/26/1945
F	Subscriber	\$120,997	EPO		Myocardial Infarction	Stable Costs expected to Decrease	3/31/1935
F	Subscriber	\$117,389	EPO		MVA	Stable Costs expected to Decrease	10/02/1951

Attachment D – Page 2

City of Newton
 Tufts Total Health – Payments in excess of \$125,000
 July 1, 2008 through June 30, 2009

Sex	Relation	Payment	Plan	Current Status	Diagnosis	Prognosis	DOB
F	Subscriber	\$390,989	EPO	Died 12/22/2008			01/36/1930
F	Subscriber	\$168,036	POS	Died 11/01/2008			12/18/1949
M	Subscriber	\$204,405	EPO	Died 09/21/2009			03/25/1971
F	Spouse	\$140,992	EPO	Died 09/20/2008			02/05/1932
M	Subscriber	\$133,461	EPO	Term 8/21/2009	Mitral Valve Disorder	Stable Costs expected to Decrease	10/10/1951
M	Spouse	\$193,849	EPO		Subdural Hematoma	Stable Costs expected to Decrease	12/16/1940
F	Spouse	\$114,181	EPO		Lung Disease	Stable Costs expected to Decrease	07/08/1949
M	Subscriber	\$107,297	EPO		Pulmonary Emboli	Stable Costs expected to Decrease	12/20/1946
M	Subscriber	\$168,193	POS		Cardiac Disease	Stable Costs expected to Decrease	02/16/1947
M	Subscriber	\$171,982	EPO				05/26/1945

Attachment D – Page 3

City of Newton
Tufts Total Health – Payments in excess of \$100,000
July 1, 2009 through June 30, 2010

Sex	Relation	Payment	Plan	Current Status	Diagnosis	Prognosis	DOB
M	S	\$118,404	EPO	Active	Toxic Encephalopathy	Stable	11/22/1950
F	M	\$116,352	POS	Active	Subendo Initial Episode	Stable	01/16/1948
M	S	\$205,393	EPO	Active	Abscess of Appendix	Stable	12/20/1946
F	M	\$146,306	EPO	Active	Of Native Coronary Artery	Stable	5/12/1956
F	M	\$119,074	POS	Termed	Secondary Malignant Neo Lung		11/16/1946
F	S	\$127,231	EPO	Termed	Enc Antineoplastic Chemo		2/18/1948
F	M	\$130,980	EPO	Termed	Hepatorenal Syndrome		2/18/1966
F	S	\$155,215	POS	Termed	Malign Neopl Breast NEC		8/8/1954
M	S	\$398,060	POS	Active	Malig Neo Supraglottis	Stable	2/16/1947
F	S	\$157,972	EPO	Active	Malign Neopl Breast NEC	Stable	1/30/1950
F	M	\$139,390	EPO	Termed	Mal Neo Bronch/Lung NOS		5/5/1954
M	S	\$137,423	EPO	Termed	Sec Mal Neo Brain/Spine		3/25/1971
M	S	\$130,568	EPO	Active	Enc Antineoplastic Chemo	Stable	11/10/1959
M	S	\$112,525	POS	Active	Cervical Spinal Stenosis	Stable	10/18/1949
M	S	\$106,182	EPO	Termed	Acute Resp Failure		5/28/1936
M	M	\$129,714	EPO	Active	Enc Antineoplastic Chemo	Stable	2/25/1951
M	M	\$115,269	EPO	Active	Gastroparesis	Stable	9/24/1946
F	S	\$101,367	EPO	Termed	Recurr Depr Psychos-MOD		6/28/1945

Attachment D – Page 4

City of Newton
Tufts Total Health – Payments in excess of \$100,000
July 1, 2010 through March 31, 2011

Sex	Relation	Payment	Plan	Current Status	Diagnosis	Prognosis	DOB
F	S	\$180,642	EPO	Active	Diverticulitis of Colon	Stable	11/22/1950
F	M	\$115,458	POS	Active	Enc Antineoplastic Chemo	Stable	2/7/1950
F	M	\$268,197	POS	Active	Reg Enterit SM/LG Intest	Stable	9/19/1968
M	S	\$179,113	POS	Active	Mitral Valve Disorder	Stable	10/10/1949
M	S	\$114,137	EPO	Active	Subendo Initial Episode	Stable	11/10/1929
F	S	\$121,015	POS	Active	Mitral Valve Disorder	Stable	7/2/1946
F	S	\$101,126	EPO	Active	Occl & Sten W Cereb Infa	Stable	12/12/1936
F	M	\$135,764	EPO	Active	Benign Neo Cranial Nerve	Stable	6/10/1957
F	S	\$115,784	EPO	Active	Enc Antineoplastic Chemo	Stable	7/1/1945
M	M	\$116,352	EPO	Active	Acute & Chronice Resp Fai	Stable	12/5/1945
F	S	\$206,817	EPO	Termed	Enc Antineoplastic Chemo		10/20/1951
F	S	\$221,258	POS	Active	Staphylococcus Aureus Se	Stable	4/21/1946
F	S	\$159,372	EPO	Active	Enc Antineoplastic Chemo	Stable	12/16/1953

Attachment D – Page 5

Cutoff Amount : 100,000
Cost Logic: CU / Cost and Utilization Paid Logic
Incurred Period: 2007-07-01 to: 2008-06-30
Paid Period: 2007-07-01 to: 2009-02-28
Group/Division Numbers: 065710 / All Divisions
Harvard Pilgrim Health Care

Claimant 1	Injury and Poisoning	Active	\$197,299.21
Claimant 2	Neoplasms	Active	\$191,331.49
Claimant 3	Neoplasms	Active	\$151,506.18
Claimant 4	Diseases of the Respiratory System	Active	\$138,622.41
Claimant 5	Endocrine, Nutritional and Metabolic Diseases And Immunity Disorders	Termed	\$124,207.78
Claimant 6	Injury and Poisoning	Termed	\$116,806.35
Claimant 7	Diseases of the Circulatory System	Active	\$114,052.72
Claimant 8	Diseases of the Circulatory System	Active	\$110,689.60
Claimant 9	Neoplasms	Active	\$102,935.71
Claimant 10	Neoplasms	Active	\$101,961.68

Attachment D – Page 6

Cutoff Amount : 100,000
Cost Logic: CU / Cost and Utilization Paid Logic
Incurred Period: 2008-07-01 to: 2009-06-30
Paid Period: 2008-07-01 to: 2010-02-28
Group/Division Numbers: 065710 / All Divisions
Harvard Pilgrim Health Care

Claimant 1	Neoplasms	Termed	\$270,525.96
Claimant 2	Classification of Factors Influencing Health Status & Contact with Health Service	Active	\$248,494.15
Claimant 3	Neoplasms	Active	\$233,731.95
Claimant 4	Infectious and Parasidic Diseases	Active	\$192,835.19
Claimant5	Diseases of the Circulatory System	Active	\$179,582.20
Claimant 6	Diseases of the Genitourinary System	Active	\$173,722.41
Claimant 7	Diseases of the Circulatory System	Active	\$156,335.21
Claimant 8	Certain Causes of Perinatal Morbidity and Mortality	Termed	\$149,632.45
Claimant 9	Neoplasms	Termed	\$144,792.54
Claimant 10	Neoplasms	Active	\$137,771.99
Claimant 11	Diseases of the Circulatory System	Active	\$135,400.20
Claimant 12	Diseases of the Circulatory System	Active	\$115,336.23
Claimant 13	Diseases of the Circulatory System	Active	\$113,637.47

Attachment D – Page 7

Cutoff Amount : 100,000
Cost Logic: CU / Cost and Utilization Paid Logic
Incurred Period: 2009-07-01 to: 2010-06-30
Paid Period: 2009-07-01 to: 2011-03-31
Group/Division Numbers: 065710 / All Divisions
Harvard Pilgrim Health Care

Claimant 1	Classification of Factors Influencing Health Status & Contact with Health Service	Active	\$179,300.33
Claimant 2	Classification of Factors Influencing Health Status & Contact with Health Service	Active	\$160,772.75
Claimant 3	Neoplasms	Active	\$142,703.62
Claimant 4	Diseases of the Circulatory System	Termed	\$131,983.18
Claimant 5	Diseases of the Genitourinary System	Active	\$128,640.69
Claimant 6	Classification of Factors Influencing Health Status & Contact with Health Service	Active	\$123,651.01
Claimant 7	Neoplasms	Active	\$102,679.89

Attachment D – Page 8

Cutoff Amount : 100,000
Cost Logic: CU / Cost and Utilization Paid Logic
Incurred Period: 2010-07-01 to: 2010-01-31
Paid Period: 2010-07-01 to: 2011-03-31
Group/Division Numbers: 065710 / All Divisions
Harvard Pilgrim Health Care

Claimant 1	Injury and Poisoning	Active	\$241,468.53
Claimant 2	Diseases of the Circulatory System	Active	\$171,852.92
Claimant 3	Diseases of the Circulatory System	Active	\$133,181.78
Claimant 4	Endocrine, Nutritional, and Metabolic Diseases And Immunity Disorders	Active	\$130,531.04
Claimant 5	Diseases of the Nervous Systems and Sense Organs	Active	\$126,679.22

Schedule of Benefits
The Harvard Pilgrim HMO
Services listed are covered when medically necessary
and provided or arranged by Harvard Pilgrim Health Care Providers.
Please see your Benefit Handbook for details.

D6

Inpatient Acute Hospital Services (including day surgery)

All covered services including the following:

- Coronary care
- Hospital services
- Intensive care
- Physicians' and surgeons' services including consultations
- Semi-private room and board

Subject to hospital inpatient copayment+.

Hospital Outpatient Department Services

- Anesthesia services
- Endoscopic procedures
- Laboratory tests and x-rays
- Physicians' and surgeons' services
- Chemotherapy/Radiation therapy

Covered in full

Physician services (including covered services by a podiatrist)

- Chemotherapy
- Changes and removals of casts, dressings, or sutures
- Health education including nutritional counseling
- Preventive care including routine physical examinations, immunizations, annual eye examinations, school, camp, sports, and premarital examinations
- Vision and hearing screenings
- Administration of injections/Allergy tests and treatments
- Diagnostic screening and tests, including but not limited to mammograms, blood tests and screenings mandated by state law
- Sick and well office visits, including psychopharmacological services

\$15 copayment per visit. (Please note: diagnostic tests, mammograms, x-rays, and immunizations will be covered in full if billed without an office visit and no other services are provided.)

- Administration of allergy injections

\$5 copayment per visit.

Maternity Services

- Prenatal and postpartum care
- All hospital services for mother and routine nursery charges for newborn

Subject to hospital inpatient copayment+.

Mental Health and Drug and Alcohol Rehabilitation Services

Please note that no day or visit limits apply to inpatient or outpatient mental health treatment for biologically-based mental disorders, rape-related mental or emotional disorders, and non-biologically-based mental, behavioral or emotional disorders for children and adolescents. No day or visit limits apply to inpatient or outpatient drug and alcohol rehabilitation services that are authorized by an HPHC mental health clinician in conjunction with treatment of mental disorders. (Please see your Benefit Handbook for details.)

- Outpatient mental health services

Covered up to 24 visits per calendar year for individual therapy and 25 visits per calendar year for group therapy with a combined maximum not to exceed 25 individual and group therapy visits per calendar year. \$15 copayment per visit for individual therapy visits 1-24. \$10 copayment per visit for group therapy visits 1-25.

- Outpatient drug and alcohol rehabilitation services

Covered up to 20 visits or \$500 in benefit value, whichever is greater. \$15 copayment per visit for individual therapy visits 1-8. \$25 copayment per visit for individual therapy visits after 8. \$10 copayment per visit for group therapy visits.

- Psychological testing

\$15 copayment per visit.

- Inpatient mental health services

Subject to hospital inpatient copayment+ in a licensed general hospital.

*Subject to hospital inpatient copayment+, up to 60 days per member per calendar year in a psychiatric hospital.**

- Inpatient drug and alcohol rehabilitation services

*Subject to hospital inpatient copayment+, up to 30 days per member per calendar year.**

- Detoxification

Subject to hospital inpatient copayment+ for inpatient services. \$15 copayment per visit for outpatient services.

*Note: Partial hospitalization services are available up to a maximum of 120 days per calendar year in place of inpatient mental health services. Partial hospitalization services are available up to a maximum of 60 days per calendar year in place of inpatient drug and alcohol rehabilitation services.

Home Health Care Services

- Home care services
- Intermittent skilled nursing care

Covered in full

Dental Services

- Preventive care for children under the age of 14. Two visits per member per calendar year including examination, cleaning, x-rays and fluoride treatment.

Covered in full

- Initial emergency treatment (within 72 hours of injury) necessary to repair oral injuries including x-rays, surgical procedures, extractions, and suturing
- Extraction of impacted teeth

The applicable copayment will be determined by location of service.

Emergency Services

- You are always covered for care in a Medical Emergency. A referral from your PCP is not needed. In a Medical Emergency, you should go to the nearest emergency facility or call 911 or other local emergency number. If you are hospitalized, you must call your PCP within 48 hours, or as soon as you can. Please note that this requirement is met if your attending physician has already given notice to your PCP.

\$50 copayment per visit in the emergency room or a \$15 copayment per visit in a doctor's office or hospital outpatient department. This copayment is waived if admitted directly to the hospital from the emergency room.

Skilled Nursing Care and Inpatient Rehabilitation

- Room and board, special services and physicians' services

100 days per calendar year at a semi-private rate for each benefit, subject to hospital inpatient copayment. +

Other Health Services

- Ambulance services
- Low protein foods (\$2,500 per member per calendar year)
- State mandated formulas
- Lead testing

Covered in full

- Vision Hardware for special conditions

Covered in full up to the applicable benefit limits as described in the Benefit Handbook.

- Cardiac rehabilitation
- Dialysis
- Family planning services/Infertility services
- Medical treatment of temporomandibular joint dysfunction (TMJ)
- Speech-language and hearing services including therapy
- Physical and occupational therapies - up to 90 consecutive days per condition
- House calls by a physician

\$15 copayment per visit.

- Hospice services
- Human organ transplants
- Cosmetic surgery as described in the Benefit Handbook

The applicable copayment will be determined by location of service.

- Durable medical and prosthetic equipment (including ostomy supplies)

Covered in full after a copayment of 20% of the equipment cost to HPHC, not to exceed a Member's total expense of \$1,000. There is no coverage after \$5,000 in equipment costs have been paid, including Member copayments. Included in this benefit is coverage for wigs, up to \$350 per member per calendar year when needed as a result of any form of cancer or leukemia, alopecia areata, alopecia totalis or permanent hair loss due to injury.

- Diabetes equipment and supplies

Molded shoes and inserts; dosage gauges; injectors; lancet devices; voice synthesizers and visual magnifying aids are subject to the applicable copayment under the durable medical and prosthetic equipment benefit.

Blood glucose monitors, insulin pumps and infusion devices are covered in full.

Insulin; insulin syringes; insulin pump supplies; insulin pens with insulin; lancets; oral agents for controlling blood sugar; blood test strips; and glucose, ketone and urine test strips are covered in full after the applicable prescription drug copayment listed on your ID card, if your Employer Group has selected prescription drug coverage. If prescription drug coverage is not available, then you will pay a \$5 copayment for Generic items, a \$10 copayment for Select Brand items and a \$25 copayment for Non-Select Brand items.

- Early intervention services

\$15 copayment per visit up to a maximum of \$3,200 per member per calendar year and a lifetime maximum of \$9,600.

Special Enrollment Rights

If an employee declines enrollment for the employee and his or her dependents (including his or her spouse) because of other health insurance coverage, the employee may be able to enroll in this plan in the future along with his or her dependents, provided that enrollment is requested within 30 days after other coverage ends. In addition, if the employee has a new dependent as a result of marriage, birth, adoption or placement for adoption, the employee may be able to enroll along with his or her dependents, provided that enrollment is requested within 30 days after the marriage, birth, adoption or placement for adoption.

Membership Requirements

There are a few requirements that you must meet in order to be covered by the plan. (Please see your Benefit Handbook for a complete description).

- Members must live in the Plan's Enrollment Area for at least nine months of the year. An exception is made for full-time student dependents and dependents enrolled under a Qualified Medical Support Order.
- All your medical and health care needs must be provided or arranged by your primary care physician (PCP), except in a medical emergency, when you are temporarily outside the Plan Service Area, or when you need one of the special services which do not require a referral. The Plan Service Area is the state in which you live.

Annual Out-of-Pocket Maximums

- The total maximum copayments you will be required to pay for all covered services excluding riders (e.g. prescription drugs, adult preventive dental and vision hardware) shall not exceed \$2,000 per Member per calendar year or a total of \$4,000 per Family per calendar year. The Plan will notify you if you reach these limits. If you feel that you reached these limits, but have not been notified, please contact the Plan.

+ Inpatient Copayment

- Hospital Inpatient Copayment: \$150 per admission up to an aggregate maximum of \$300 per contract per calendar year. Day Surgery is covered in full.

Exclusions

The Plan does not provide coverage for:

- services not approved, arranged, or provided by your PCP
- cosmetic procedures
- commercial diet plans or weight loss programs
- transsexual surgery, including related procedures
- procedures which are experimental or unproven
- eyeglasses, contact lenses, and fittings, unless your Employer Group has purchased the Vision Rider
- refractive eye surgery
- transportation other than by ambulance
- costs for any services for which you are entitled to treatment at government expense, including military service connected disabilities
- costs for services covered by workers' compensation, third party liability, other insurance coverage, or an employer under state or federal law
- blood and blood products
- educational services (including problems of school performance) or testing for developmental, educational, or behavioral problems
- sensory integrative praxis tests
- physical examinations for insurance, licensing, or employment
- vocational rehabilitation, or vocational evaluations on job adaptability, job placement, or therapy to restore function for a specific occupation
- rest or custodial care
- personal comfort or convenience items
- non-durable medical equipment, unless used as a part of the treatment at a medical facility or as part of approved home health care services

- reversal of voluntary sterilization (including procedures necessary for conception as a result of voluntary sterilization) and any form of surrogacy
- infertility treatment for Members who are not medically infertile
- delivery outside the service area after the 37th week of pregnancy, or after you have been told that you are at risk for early delivery
- special equipment needed for sports or occupational purposes
- services for which no charge would be made in the absence of insurance
- services for non-Members
- services after the termination of membership
- services or supplies given to you by 1) anyone related to you by blood, marriage, or adoption, or, 2) anyone who ordinarily lives with you
- services that are not medically necessary
- services for which no coverage is provided in the Benefit Handbook, Schedule of Benefits, or Prescription Drug Brochure
- hearing aids
- foot orthotics, except as required by law
- dental services including periodontal, restorative, and orthodontic services
- chiropractic care
- osteopathic manipulation, routine foot care, biofeedback, pain management programs, massage therapy, acupuncture, and sports medicine clinics
- hair removal or restoration, including, but not limited to, electrolysis, laser treatment, transplantation or drug therapy

SUMMARY OF BENEFITS

Effective December 1, 2003

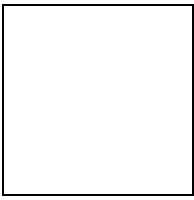
Outpatient Medical Care	Unauthorized Benefits Only
Doctor's Office Visits	\$15 per visit
Routine Physical Exams	\$15 per visit
Well-Child Care	\$15 per visit
Specialist Care, Consultations	\$15 per visit
OB/GYN visits	\$15 per visit
Prenatal and Postnatal Care	\$15 per visit
Laboratory Tests, including Pap Smear	Covered in Full
Diagnostic X-rays, including Mammograms	Covered in Full
Injections and Immunizations	Covered in Full
X-ray Therapy	Covered in Full
Speech Therapy and Short-term Physical/Occupational Therapy	\$15 per visit
Annual Routine Eye Exams	\$15 per visit
Spinal Manipulation (12 visits per calendar year)	\$15 per visit

Inpatient Hospital Care and Surgery*	
Day Surgery	\$0 per surgery
Acute care for Illness or Injury, and Maternity Services	\$150 per admission
Physician's Care while hospitalized	Covered in Full
Surgery and Surgeon's Services while hospitalized	Covered in Full
Newborn Care in hospital	Covered in Full
Anesthesia while hospitalized	Covered in Full
Medications while hospitalized	Covered in Full
Nursing Care while hospitalized	Covered in Full
X-ray and Lab Services while hospitalized	Covered in Full
Intensive Care/Coronary Care while hospitalized	Covered in Full
Radiation Therapy while hospitalized	Covered in Full
Skilled Nursing In Skilled Nursing Facility (up to 100 days per calendar year)	Covered in Full

Wellness Programs	
Membership at Network Fitness Facilities	Multiple discount options
Weight Watchers Weight Management Program	Discounted membership
Health Education (may require advance payment)	30% discount per program

* Semi-private room, unless private room is medically necessary.

(OVER)



POS VALUE SUMMARY OF BENEFITS

Tufts Health Plan's point-of-service (POS) plan covers preventive and medically necessary health care services and supplies.

As a POS member, you can choose between two levels of coverage:

- **Coverage at the authorized level of benefits, a higher level of coverage**, when care is provided or authorized by your primary care physician (PCP) in the Tufts Health Plan network. You pay a copayment at the time you receive covered health care services.
- **Coverage at the unauthorized level of benefits**, when covered health care services are not provided or authorized by your Tufts Health Plan PCP. You pay a deductible and coinsurance when you obtain care at the unauthorized level of benefits.
 - **A deductible** is the amount you must pay out of pocket before any coverage is available at the unauthorized level of benefits.

- Once you have paid the deductible, you pay **coinsurance**--a percentage of the covered medical costs you are responsible for paying at the unauthorized level of benefits--until you reach the **out-of-pocket maximum**.
- Once you reach the out-of-pocket maximum, you are covered in full up to the reasonable charge for most out-of-network covered services for the remainder of the plan (usually a plan year).
- To be reimbursed for covered services at the unauthorized level of benefits, you may need to submit a claim form. You may be responsible for paying any difference between what the plan covers and what the out-of-network provider charges for a service.
- Emergency care is covered at the authorized level of benefits, regardless of whether you see an in-network or out-of-network provider.

The deductible and out-of-pocket maximum for this plan are listed on this benefit summary.

This health plan meets Minimum Creditable Coverage standards and will satisfy the individual mandate that you have health insurance.

Prescription Drug Coverage		For up to a 30-day supply at a participating retail pharmacy	For up to a 90-day supply through our mail order service
Tier 1		\$5	\$10
Tier 2		\$20	\$40
Tier 3		\$30	\$60
Deductible and Out-of-pocket Maximums (per plan year)		Individual	Family
Deductible (applies to unauthorized care only)		\$250	\$500
Out-of-pocket maximum (includes deductible and coinsurance)		\$1,000	\$15,000
Inpatient copayment maximum (No more than two inpatient copayments will apply to each family. Maximums will be administered by the City of Newton)		\$300	\$300
Outpatient Medical Care (No PCP referral is necessary for OB/GYN visits, spinal manipulation, routine eye exams, or mammograms)		Authorized	Unauthorized (after deductible)
Most Provider Office Visits		\$15 per visit	Plan covers 80%
Routine Physical Exams (including most preventive screenings)		\$15 per visit	Plan covers 80%
Well-Child Care		\$15 per visit	Plan covers 80%
OB/GYN Visits		\$15 per visit	Plan covers 80%
Outpatient Maternity Care (This office visit copayment will apply per visit up to 10 visits per pregnancy. After 10 visits, these services are covered in full for the remainder of your pregnancy.)		\$15 per visit	Plan covers 80%
Routine Eye Exams (1 visit every 12 months)		\$15 per visit	Plan covers 80%
Nutritional Counseling (When medically necessary)		\$15 per visit	Plan covers 80%
Preventive Immunizations		Covered in full	Plan covers 80%
Preventive Pap Smears and Mammograms		Covered in full	Plan covers 80%
Non-preventive Immunizations		Covered in full	Plan covers 80%
Non-routine Pap Smears and Mammograms		Covered in full	Plan covers 80%
Allergy Injections		Copay may apply	Plan covers 80%
Diagnostic Procedures		Covered in full	Plan covers 80%
Diagnostic Imaging - General Imaging (such as X-rays and ultrasounds)		Covered in full	Plan covers 80%
Diagnostic Imaging - High-Tech Imaging (MRIs, CT/CAT Scans, PET Scans, and Nuclear Cardiology)		Covered in full	Plan covers 80%

Diagnostic Lab Tests	Covered in full	Plan covers 80%
Speech and Short-term Physical/Occupational Therapy	\$15 per visit	Plan covers 80%
Spinal Manipulation (12 visits per plan year)	\$15 per visit	Plan covers 80%
Day Surgery	Covered in full	Plan covers 80%
Inpatient Hospital Care (Semi-private room, unless private room is medically necessary)		Authorized Unauthorized (after deductible)
All Hospital Services (Acute Care) and Maternity Care	\$150 per admission	Plan covers 80%
Skilled Nursing in Skilled Nursing Facility (up to 100 days per plan year)	Covered in full	Plan covers 80%
Emergency Care		
In Doctor's Office	\$15 per visit	
In Emergency Room	\$50 per visit	
Mental Health*		Authorized Unauthorized (after deductible)
Outpatient Care (up to 30 visits per plan year)	\$15 per visit	Plan covers 80%
Inpatient Care (Services provided at a designated facility for up to 60 days per plan year)	Error! Not a valid link. per admission	Plan covers 80%
Substance Abuse**		Authorized Unauthorized (after deductible)
Outpatient Care (Alcohol and drug treatment, detoxification) (Up to \$500 per plan year for treatment)	\$15 per visit	Plan covers 80%
Inpatient Care (Services provided at a designated facility for up to 30 days per plan year)	Error! Not a valid link. per admission	Plan covers 80%
Other Health Services		Authorized Unauthorized (after deductible)
Durable Medical Equipment	Covered in full	Plan covers 80%
Ambulance Service	Covered in full	Plan covers 80%
Hospice Care	Covered in full	Plan covers 80%
Home Health Care	Covered in full	Plan covers 80%
Pediatric Dental: X-Rays (full mouth) once every 5 years. Bitewings, once every 6 months and periapicals as needed. Periodic oral exam, oral prophylaxis and fluoride treatment once every 6 months.	Covered for children under 12	Not covered

Great Savings While You Get Healthy

In addition to your covered benefits, we offer great savings on a wide variety of healthy products, services, and treatments—from acupuncture and massage therapy to wellness programs. You save while you're taking care of your health. That's a real win-win! To learn more, visit www.tuftshealthplan.com and click on Discounts on the Members tab.

Regular exercise is an important part of living a healthy lifestyle, and we want to do whatever we can to help you and your family incorporate activity into your daily lives. That's why **your Tufts Health Plan membership includes a \$150 rebate per household toward your health and fitness club fees.** See the fitness reimbursement flyer in your member enrollment kit for more information.

*Outpatient and inpatient mental health services are treated the same as any other medical condition when provided as required by law for the following: biologically-based mental disorders; certain mental, behavioral or emotional disorders for children under age 19; and rape-related mental or emotional disorders. See your Tufts Health Plan member benefit document for more information.

**Outpatient and inpatient substance abuse services are treated the same as mental health conditions when provided in conjunction with treatment of a mental disorder. Treatment for detoxification is not subject to substance abuse day and dollar limits listed in this document. See your Tufts Health Plan member benefit document for more information.

There are some services that the plan does not cover. These include, but are not limited to: A service or supply not described as a covered service in your Tufts Health Plan member benefit document • Exams required by a third party, such as your employer, an insurance company, school, or court • Cosmetic surgery or any other cosmetic procedure, except certain reconstructive procedures described in your Tufts Health Plan member benefit document • Experimental or investigational drugs, services, and procedures • Eyeglasses or contact lenses, except as described in your Tufts Health Plan member benefit document • Blood, blood donor fees, blood storage fees, blood substitutes, blood banking, cord blood banking, or blood products, except as described in your Tufts Health Plan member benefit document • Drugs for use outside of hospital, except as covered under Prescription Drug Coverage • Personal comfort items • Custodial care • A service furnished to someone other than the member • Routine foot care, except as described in your Tufts Health Plan member benefit document • Charges incurred for stays in a covered facility beyond the discharge hour • Care for conditions that state or local law requires to be treated in a public facility • Medical or surgical procedures for sexual reassignment and reversal of voluntary sterilization • Foot orthotics, except therapeutic/molded shoes for an individual with severe diabetic foot disease • Assisted reproductive technology (e.g. IVF) procedures for non-Massachusetts residents • Spinal manipulation services for members age 12 and under • Except for Emergency care, a service, supply or medication that is obtained outside of the 50 United States • Private duty nursing (block or non-intermittent nursing) • Hearing aids.

This is a summary only. Please refer to the member benefit document for a detailed explanation of your coverage. If there is a difference between the information in this benefit summary and your member benefit document, the terms of your member benefit document will govern. If you have additional questions, please call a member services specialist at 1-800-462-0224.

Offered by Tufts Associated Health Maintenance Organization, Inc. or Total Health Plan, Inc., both Tufts Health Plan companies.

Massachusetts Requirement to Purchase Health Insurance: As of January 1, 2009, the Massachusetts Health Care Reform Law requires that Massachusetts residents, eighteen (18) years of age and older, must have health coverage that meets the Minimum Creditable Coverage standards set by the Commonwealth Health Insurance Connector, unless waived from the health insurance requirement based on affordability or individual hardship. For more information call the Connector at 1-877-MA-ENROLL or visit the Connector Web site (www.mahealthconnector.org). This health plan meets Minimum Creditable Coverage standards that are effective January 1, 2009 as part of the Massachusetts Health Care Reform Law. If you purchase this plan, you will satisfy the statutory requirement that you have health insurance meeting these standards. This disclosure is for minimum creditable coverage standards that are effective January 1, 2009. Because these standards may change, review your health plan material each year to determine whether your plan meets the latest standards. If you have questions about this notice, you may contact the Division of Insurance by calling (617) 521-7794 or visiting its Web site at www.mass.gov/doi

EPO VALUE SUMMARY OF BENEFITS

With Tufts Health Plan's EPO (exclusive provider option) plan, you enjoy comprehensive coverage for your health care needs, while your out-of-pocket costs are kept to a minimum.

In general, preventive and medically necessary health care services and supplies are covered when they are provided or authorized by your network primary care physician (PCP).

As an EPO member:

- You must choose a PCP from the Tufts Health Plan network of providers.
- In most cases, your PCP must provide or authorize (provide a referral for) your care.
- You pay the applicable copayment at the time you receive covered health care services. There are annual maximums on the number or amount of copayments you pay for day surgery and inpatient care. Please check this benefit summary for more information.

EPO members do not need a PCP referral for certain types of covered services, including:

- Maternity care and medically necessary evaluations and related health care services for acute/emergency gynecologic conditions, when the services are provided by an obstetrician, gynecologist, certified nurse midwife, or family practitioner in the Tufts Health Plan network
- Routine gynecologic exams and any medically necessary OB/GYN follow-up care resulting from that exam, when obtained from a provider in the Tufts Health Plan network
- Emergency care in an emergency room or a physician's office
- Mammography screening, when obtained from a provider in the Tufts Health Plan network
- One routine eye exam every 12 months, when provided by a network physician, if your plan offers this benefit

ATTACHMENT - E

This health plan meets Minimum Creditable Coverage standards and will satisfy the individual mandate that you have health insurance.

Prescription Drug Coverage		For up to a 30-day supply at a participating retail pharmacy	For up to a 90-day supply through our mail order service
Tier 1	\$5		\$10
Tier 2	\$20		\$40
Tier 3	\$30		\$60
Out-of-Pocket Maximums (per plan year)		Individual	Family
Inpatient copayment maximum (No more than two inpatient copayments will apply to each family. Maximums will be administered by the City of Newton)		\$300	\$300
Outpatient Medical Care (No PCP referral is necessary for OB/GYN visits, spinal manipulation, routine eye exams, or mammograms)			
Most Provider Office Visits			\$15 per visit
Routine Physical Exams (including most preventive screenings)			\$15 per visit
Well-Child Care			\$15 per visit
OB/GYN Visits			\$15 per visit
Outpatient Maternity Care (This office visit copayment will apply per visit up to 10 visits per pregnancy. After 10 visits, these services are covered in full for the remainder of your pregnancy.)			\$15 per visit
Routine Eye Exams (1 visit every 12 months)			\$15 per visit
Nutritional Counseling (When medically necessary)			\$15 per visit
Preventive Immunizations			Covered in full
Preventive Pap Smears and Mammograms			Covered in full
Non-preventive Immunizations			Covered in full
Non-routine Pap Smears and Mammograms			Covered in full
Allergy Injections			Copay may apply
Diagnostic Procedures			Covered in full
Diagnostic Imaging - General Imaging (such as X-rays and ultrasounds)			Covered in full
Diagnostic Imaging - High-Tech Imaging (MRIs, CT/CAT Scans, PET Scans, and Nuclear Cardiology)			Covered in full
Diagnostic Lab Tests			Covered in full
Speech and Short-term Physical/Occupational Therapy			\$15 per visit
Spinal Manipulation (12 visits per plan year)			\$15 per visit
Day Surgery			Covered in full
Inpatient Hospital Care (Semi-private room, unless private room is medically necessary)			
All Hospital Services (Acute Care) and Maternity Care			\$250 per admission
Skilled Nursing in Skilled Nursing Facility (up to 100 days per plan year)			Covered in full
Emergency Care			
In Doctor's Office			\$15 per visit
In Emergency Room			\$50 per visit
Mental Health*			
Outpatient Care (up to 30 visits per plan year)			\$15 per visit
Inpatient Care (Services provided at a designated facility for up to 60 days per plan year)			\$150 per admission
Substance Abuse**			
Outpatient Care (Alcohol and drug treatment, detoxification) (Up to \$500 per plan year for treatment)			\$15 per visit
Inpatient Care (Services provided at a designated facility for up to 30 days per plan year)			Error! Not a valid link. per admission
Other Health Services			
Durable Medical Equipment			Covered in full

ATTACHMENT - E

Ambulance Service	Covered in full
Hospice Care	Covered in full
Home Health Care	Covered in full
Pediatric Dental: X-Rays (full mouth) once every 5 years. Bitewings, once every 6 months and periapicals as needed. Periodic oral exam, oral prophylaxis and fluoride treatment once every 6 months.	Covered for children under 12

Great Savings While You Get Healthy

In addition to your covered benefits, we offer great savings on a wide variety of healthy products, services, and treatments—from acupuncture and massage therapy to wellness programs. You save while you're taking care of your health. That's a real win-win! To learn more, visit www.tuftshealthplan.com and click on Discounts on the Members tab.

Regular exercise is an important part of living a healthy lifestyle, and we want to do whatever we can to help you and your family incorporate activity into your daily lives. That's why **your Tufts Health Plan membership includes a \$150 rebate per household toward your health and fitness club fees.** See the fitness reimbursement flyer in your member enrollment kit for more information.

*Outpatient and inpatient mental health services are treated the same as any other medical condition when provided as required by law for the following: biologically-based mental disorders; certain mental, behavioral or emotional disorders for children under age 19; and rape-related mental or emotional disorders. See your Tufts Health Plan member benefit document for more information.

**Outpatient and inpatient substance abuse services are treated the same as mental health conditions when provided in conjunction with treatment of a mental disorder. Treatment for detoxification is not subject to substance abuse day and dollar limits listed in this document. See your Tufts Health Plan member benefit document for more information.

There are some services that the plan does not cover. These include, but are not limited to: A service or supply not described as a covered service in your Tufts Health Plan member benefit document • Exams required by a third party, such as your employer, an insurance company, school, or court • Cosmetic surgery or any other cosmetic procedure, except certain reconstructive procedures described in your Tufts Health Plan member benefit document • Experimental or investigational drugs, services, and procedures • Eyeglasses or contact lenses, except as described in your Tufts Health Plan member benefit document • Blood, blood donor fees, blood storage fees, blood substitutes, blood banking, cord blood banking, or blood products, except as described in your Tufts Health Plan member benefit document • Drugs for use outside of hospital, except as covered under Prescription Drug Coverage • Personal comfort items • Custodial care • A service furnished to someone other than the member • Routine foot care, except as described in your Tufts Health Plan member benefit document • Charges incurred for stays in a covered facility beyond the discharge hour • Care for conditions that state or local law requires to be treated in a public facility • Medical or surgical procedures for sexual reassignment and reversal of voluntary sterilization • Foot orthotics, except therapeutic/molded shoes for an individual with severe diabetic foot disease • Assisted reproductive technology (e.g. IVF) procedures for non-Massachusetts residents • Spinal manipulation services for members age 12 and under • Except for Emergency care, a service, supply or medication that is obtained outside of the 50 United States • Private duty nursing (block or non-intermittent nursing) • Hearing aids.

This is a summary only. Please refer to the member benefit document for a detailed explanation of your coverage. If there is a difference between the information in this benefit summary and your member benefit document, the terms of your member benefit document will govern. If you have additional questions, please call a member services specialist at 1-800-462-0224.

Offered by Total Health Plan, Inc., a Tufts Health Plan company.

Massachusetts Requirement to Purchase Health Insurance: As of January 1, 2009, the Massachusetts Health Care Reform Law requires that Massachusetts residents, eighteen (18) years of age and older, must have health coverage that meets the Minimum Creditable Coverage standards set by the Commonwealth Health Insurance Connector, unless waived from the health insurance requirement based on affordability or individual hardship. For more information call the Connector at 1-877-MA-ENROLL or visit the Connector Web site (www.mahealthconnector.org). This health plan meets Minimum Creditable Coverage standards that are effective January 1, 2009 as part of the Massachusetts Health Care Reform Law. If you purchase this plan, you will satisfy the statutory requirement that you have health insurance meeting these standards. This disclosure is for minimum creditable coverage standards that are effective January 1, 2009. Because these standards may change, review your health plan material each year to determine whether your plan meets the latest standards. If you have questions about this notice, you may contact the Division of Insurance by calling (617) 521-7794 or visiting its Web site at www.mass.gov/doi.

Attachment F- Page 1

12/18 Contract

Price Proposal

Proposer: _____

Addendum No. _____

Tufts EPO, POS and Harvard Pilgrim EPO
For City of Newton
Specific Stop-Loss:
7/01/2010 to 6/30/2011

DEDUCTIBLE	CONTRACT TYPE	ENROLLMENT	MONTHLY RATE	EST ANNUAL COST
\$250,000	Individual	1536		
	Family	1625		
	Total	3161		
\$225,000	Individual	1536		
	Family	1625		
	Total	3161		
\$200,000	Individual	1536		
	Family	1625		
	Total	3161		

ATTACHMENT G

Contractual Requirements

The reinsurance contract awarded and signed by the City of Newton will comply with all of the following requirements:

11. Reinsurance will apply to the plans named in this Request for Quotations, which are currently administered by Tufts Total Health Plan and Harvard Pilgrim Health Care.
12. For the above named health plans, reinsurer will reimburse City of Newton for claims exceeding the specific deductible per claimant based on the policy terms selected by the City of Newton.
13. Reinsurer will cover subscriber plus dependents including covered retirees and COBRA beneficiaries.
14. Reinsurer will cover all benefits of City of Newton's health plans, including but not limited to medical, prescription drugs, mental and nervous treatment, substance abuse treatment and current and future government mandated benefits. (*Note 1: City of Newton plans are not ERISA plans, and City of Newton adopts state and federal government mandated benefits.*)
15. Reinsurer will cover mental health/nervous claims at the same level as medical/surgical claims.
16. Reinsurer will reimburse City of Newton based on the contractual basis of payment applied by the claims administrator/health plan even if basis of payment exceeds charges. Reinsurer will not pay the lesser of charges or actual contractual basis of payment.
17. Reinsurer will not exclude from coverage covered employees, dependents of employees, retirees, and dependents of retirees with pre-existing conditions.
18. Reinsurer will not exclude from coverage covered members who are not actively at work at the time the policy goes into effect or during the term of the policy.
19. Reinsurer will not exclude from coverage dependents who are hospitalized or otherwise institutionalized at the time the reinsurance policy goes into effect.
20. Reinsurer will not exclude from coverage "Late Entrants" into the City of Newton health plans, such as new hires and those who have lost other coverage as through a spouse.
11. Massachusetts municipal employees hired prior to April 1986 did not pay into Medicare, and, therefore, many not have Medicare eligibility. Therefore, the reinsurer selected by the City of Newton agrees to reimburse for excess claims for retirees who are 65 and older and not eligible for Medicare.
16. Reinsurer will cover all City of Newton plan members at the selected specific deductible and with a either a maximum benefit payable of not less than \$2 million benefit, depending upon the option selected by the City of Newton. No special underwriting for high cost claimants, i.e. no "lasering" will be permitted.
17. Reinsurer will designate surcharges imposed by the Mass. Uncompensated Care law of 1997 paid on hospital charges and outpatient facility charges including day surgery centers as eligible claims expenses for the City of Newton.
18. Reinsurer will designate surcharges paid to the Pool Administrator of the State of New York under the New York Health Care Reform Act of 1996 as eligible claims expense for the City of Newton.
19. Reinsurer will reimburse for claims that exceed the specific deductible according to the policy when filed late because the health plan/claims administer did not report the claim to the client in a timely manner, provided the client reports the claim to the broker or carrier within five business days of receipt of the information from the health plan.

**STATEMENT of COMPLIANCE with CONTRACTUAL REQUIREMENTS
in ATTACHMENT G of CITY OF NEWTON REQUEST for QUOTATIONS for REINSURANCE**

The undersigned certifies that if the reinsurance carrier, _____, _____
Name of Carrier

is awarded the reinsurance contract sought through this Request for Proposal process, carrier will enter into a contract with the City of Newton that complies with all of the contractual requirements specified in **Attachment G** of the City of Newton's Request for Quotations issued May, 2010 and proposals due June 17, 2010. There will be no exceptions. If the reinsurance carrier's standard contract does not meet all of the requirements specified in Attachment G, carrier will prepare, sign, and submit amendments to the contract in a timely manner to render the contract in compliance.

The undersigned also acknowledges that if reinsurance carrier does not comply with Contractual Requirements, the City of Newton will exercise its right to withdraw the contract award.

(Signature of individual authorized to bind the reinsurance carrier) _____ (Date)

COMMONWEALTH OF MASSACHUSETTS

(County)

Then appeared before me the above-named _____

and having been duly sworn stated that the foregoing statements were true and correct.

(Notary Public)

My commission expires:

(Date)

Federal Identification Number: _____

ATTACHMENT - H

Rate History and Miscellaneous Information

Since July 1, 1994, the City of Newton has had the same plans for its employees and its retirees.

The two Tufts plans have been self-insured since July 1, 1994. They are:

Tufts EPO plan
Tufts POS/OOA Plan

The Harvard Pilgrim HMO has also been in place since July 1, 1994. On July 1, 2000 the City chose to self-insure this plan.

The monthly rates for these plans for the last three years are as follows:

July 1, 2007:	Individual	Family
Tufts EPO	\$510.10	\$1,380.57
Tufts POS/OOA	\$782.31	\$1,896.04
Harvard Pilgrim	\$488.01	\$1,328.28

July 1, 2008:	Individual	Family
Tufts EPO	\$510.10	\$1,380.57
Tufts POS/OOA	\$782.31	\$1,896.04
Harvard Pilgrim	\$513.98	\$1397.56

July 1, 2009:	Individual	Family
Tufts EPO	\$556.52	\$1,506.20
Tufts POS/OOA	\$819.86	\$1,987.05
Harvard Pilgrim	\$572.31	\$1,554.36

The monthly rates for the year on which you are bidding will be:

July 1, 2010:	Individual	Family
Tufts EPO	\$556.52	\$1,506.20
Tufts POS/OOA	\$819.86	\$1,987.05
Harvard Pilgrim	\$612.37	\$1,663.17

In the Tufts EPO and POS plans there are 109 members over age 65 who are retired and not eligible for Medicare.

In the Harvard Plan there are 16 members over age 65 who are retired and not eligible for Medicare.

In the Tufts EPO and POS plans there are 353 subscribers under age 65 who are retired.

In the Harvard Plan there are 129 subscribers under age 65 who are retired.

The total number of Police and Firefighters is currently 298.